

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the **Matter** of:

J. RUTH CONEENY,

Former Officer and
Institution-Affiliated Party
of:

First Home Savings Bank, FSB
Pennsville, NJ
(OTS Docket No. 07447)

RE: OTS Order No. NE98-08

Dated: **June 2, 1998**

STIPULATION AND CONSENT TO ENTRY
OF ORDER OF PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed J. Ruth Coneeny, former officer and institution-affiliated party of First Hone Savings Bank FSB Pennsville, NJ, OTS No. 07447 ("First Home" or the "Institution") that the OTS is of the opinion that grounds exist to initiate an administrative prohibition proceedings against J. RUTH CONEENY pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(e).'

WHEREAS, J. RUTH CONEENY desires to cooperate with the OTS to avoid the time and expense of such administrative litigation and, without admitting or denying that such grounds exist, but admitting

¹ All references in this Stipulation and Consent and the Order of Prohibition to the U.S.C. are **as** amended.

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the statements and ~~conclusions~~ in Paragraph 1 below, hereby stipulates and agrees to the following terms:

1. Jurisdiction.

(a) First Home, at all times relevant hereto, ~~was~~ a "savings association" within the meaning of Section 3(b) of the FDIA, 12 U.S.C. § 1813(b). and Section 2(4) of the Home Owners' Loan Act ("HOLA"), 12 U.S.C. § 1462(4). Accordingly, First Home was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c).

(b) J. RUTH CONEENY, as a former officer of First Home, is deemed to be an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u), having served in such capacity within six (6) years of the date ~~hereof~~ (see 12 U.S.C. § 1818(i)(3))

(c) Pursuant to Section 3(q) of the FDIA, 12 U.S.C. § 1813(q), the OTS is the "appropriate Federal banking agency" with jurisdiction to ~~maintain~~ an enforcement proceeding against institution-affiliated parties. Therefore, J. RUTH CONEENY is subject to the authority of the OTS to initiate and maintain prohibition proceedings against her pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e).

2. OTS Findings of Fact. The OTS has been informed that between April 11, 1994 and December 31, 1996, while J. RUTH CONEENY was an officer of First Home, she misapplied \$41,544.78 of the funds of First Home without authorization to her own use. Of this amount, \$36,3998.67

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represents advances from Account No. 750030049, which were credited to her checking account, No. 0100108108 and \$5,146.11 in payments diverted from five separate customers accounts and credited to Account No. 750030049. Further, she admitted this misappropriation to First Home President Stephen D. Miller in signing a typed written Agreement dated February 25, 1997 in which she agreed among other things to repay the above mentioned funds. It is also our understanding that restitution has been completed. As a result of her actions, J. RUTH CONEENY (1) engaged in a violation of the law ~~or~~ breached her fiduciary duty of honesty to First Home, and (2) First Home suffered a financial loss or she received a financial benefit or other gain, and (3) the violation of law or breach of fiduciary duty demonstrates willful and/or continuing disregard by J. RUTH CONEENY for the safety and soundness of First Home

3. Consent. J. RUTH CONEENY consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). She further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued by the OTS under the authority of Section S(e) of the FDIA, 12 U.S.C. § 1818(e). Upon its issuance by the Regional Director or designee for the Northeast Region, OTS. it shall be a final order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA. 12 U.S.C. § 1818(i).

5. Waivers. J. RUTH CONEENY waives the following:

(a) the right to be served with a written notice of the OTS's charges against her (referred to as a Notice of Intention

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to Prohibit) (~~see~~ Section 8(e) of the FDIA);

(b) the right to an administrative hearing of the OTS's charges against her (~~see~~ Section 8(e) of the FDIA); and

(c) the right to seek judicial review of the Order, including, without limitation, any such right provided by Section 8(h) of the FDIA 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order.

6. Indemnification. J. RUTH CONEENY shall neither cause nor permit First Hone (or any successor institution, holding company, subsidiary, or service corporation thereof) to incur, directly or indirectly, any expense for any legal or other professional expenses incurred ~~relative~~ to the negotiation and issuance of the Order of Prohibition. Nor shall J. RUTH CONEENY obtain any indemnification (or other reimbursement) from the Institution (or any successor institution, holding company, subsidiary, ~~or~~ service corporation thereof) with respect to such amounts. Any such payments received by or on behalf of J. RUTH CONEENY in connection with this action shall be returned to First Home (or the successor institution, holding company, subsidiary, ~~or~~ service corporation thereof).

7. Other Government Actions Not Affected.

(a) J. RUTH CONEENY acknowledges and ~~agrees~~ that the consent to the entry of the Order is for the purpose of resolving this prohibition action only, and does not release, discharge, compromise, settle, dismiss, resolve, ~~or~~ in any way affect any actions, charges against, or liability of J. RUTH CONEENY that arise pursuant to this action ~~or~~

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otherwise, and that may be or have been brought by any other government entity other than the OTS.

(b) By signing this Stipulation and Consent to Entry of an Order of Prohibition. J. RUTH CONEENY agrees that she will not assert this proceeding. her consent to the entry of the Order, ~~and/or~~ the entry of the Order, as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice ~~or~~ any other Federal or state governmental entity.

8. Acknowledgment of Criminal Sanctions. J. RUTH CONEENY acknowledges ~~that~~ Section S(j) of the FDIA. 12 U.S.C. § 1818(j), sets forth criminal penalties for knowing violations of the Order.

9. Agreement for Continuing Cooperation. J. RUTH CONEENY agrees that, at the OTS's request, ~~on~~ reasonable notice and without service of a subpoena, she will provide whatever discovery and ~~testify~~ truthfully at any deposition and at any judicial or administrative proceeding related to any investigation, litigation, or other proceeding maintained by the OTS ~~relating~~ to First Home, its holding companies, its subsidiaries, and ~~its~~ institution-affiliated parties, except that J. RUTH CONEENY does not waive any privilege against self-incrimination under the Fifth Amendment of the United States Constitution. If J. RUTH CONEENY invokes a privilege against self-incrimination under the Fifth Amendment of the United States Constitution with respect to any matter about which the OTS inquires or the production of ~~any~~ document requested by the OTS and the OTS obtains a grant of immunity Pursuant to 18 U.S.C. § 6001 et seq., J. RUTH CONEENY agrees, consistent with any such grant

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of immunity, to provide discovery and testify truthfully at any deposition and at any judicial, administrative, or investigative proceeding on the ~~matter~~ for which **immunity is given**.

WHEREFORE, J. RUTH CONEENY executes this Stipulation and Consent to Entry of an Order of Prohibition, intending to be legally bound hereby.

By:



J. Ruth Coneeny

Accepted by:
Office of Thrift Supervision



Robert C. Albanese
Northeast Regional Director

Dated: 4-30-98

Dated: 6-1-98

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of:

J. RUTH CONEENY.

Former Officer and
Institution-Affiliated Party
of:

First Home Savings Bank FSB
Pennsville. NJ
(OTS Docket No. 07447)

RE: OTS Order No. NE98-08

Dated: June 2, 1998

ORDER OF PROHIBITION

WHEREAS, J. RUTH CONEENY has executed a Stipulation and Consent to Entry of an Order of Prohibition ("Stipulation"); and

WHEREAS, J. RUTH CONEENY, by her execution of the Stipulation, has consented and agreed to the issuance of this Order of Prohibition ("Order") by the Office of Thrift Supervision ("OTS"), pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. §1818(e).

NOW THEREFORE, IT IS ORDERED that:

1. J. RUTH CONEENY is prohibited from further participation, in any manner, in the conduct of the affairs of First Home Savings Bank FSB, Pennsville, NJ, and any successor institution, holding company, subsidiary, and/or service corporation thereof.

2. J. RUTH CONEENY is and shall be subject to the statutory

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prohibitions provided by Section 8(e) of the FDIA, 12 U.S.C. §

1818(e). Due to and without limitation on the operation of Sections **8(e)(6) and 8(e)(7) of the FDIA**, 12 U.S.C. §§ 1818(e)(6) and 1818(e)(7), J. RUTH CONEENY, **except upon the prior written consent of the OTS (acting through its Director or an authorized representative thereof) and any other "appropriate Federal financial institutions regulatory agency, "** for purposes of Section 8(e)(7)(B)(ii) of the FDIA, 12 U.S.C. § 1818(e)(7)(B)(ii), shall not:

(A) hold any office in, or participate in any manner in the conduct of the affairs of, any institution or any agency specified in Section 8(e)(7)(A) of the FDIA. 12 U.S.C. § 1818(e)(7)(A) ("Covered Institution"). including:

(i) any insured depository institution. e.g. **savings and loan associations, savings banks, national banks, state banks, trust companies, and other banking institutions;**

(ii) any institution treated as an insured bank under Sections 8(b)(3) and 8(b)(4) of the FDIA, 12 U.S.C. §§ 1818(b)(3) and 1818(b)(4), or as a savings association under Section 8(b)(9) of the FDIA, **12 U.S.C. § 1818(b)(9), e.g.**, subsidiaries and holding companies of banks or savings associations;

(iii) any insured credit union under the Federal Credit Union Act, 12 U.S.C. §§ 1781 et seq.;

(iv) any institution chartered under the Farm Credit Act of 1971, 12 U.S.C. §§ 2001 et seq.;

(v) any appropriate Federal depository institution regulatory

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agency. within the meaning of 12 U.S.C. § 1818(e)(7)(A)(v); and

(vi) the Federal Housing Finance Board and any Federal Home Loan Bank;

(B) solicit, procure, transfer, attempt to transfer, vote or attempt to vote any proxy, consent, or authorization with respect to any voting rights in any Covered Institution;

(C) violate any voting agreement previously approved by the "appropriate Federal banking agency" within the meaning of Section 3(q) of the FDIA, 12 U.S.C. §§ 1813(q): or

(D) vote for a director, or ~~serve~~ or act as an "institution-affiliated party, " as that term is defined at Section 3(u) of the FDIA, 12 U.S.C. § 1813(u), e.g., a director, officer, employee, controlling stockholder of, or agent for, an insured depository institution.

3. The Stipulation is made a part hereof and is incorporated herein by this reference.

4. This Order is subject to the provisions of Section 8(j) Of the FDIA, 12 U.S.C. § 1818(j), and shall become effective on the date it is issued.

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5. **J. RUTH CONEENY** shall promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

6. The terms and provisions of this Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest.

THE OFFICE OF THRIFT SUPERVISION

A handwritten signature in cursive script, appearing to read "Robert C. Albanese", is written over a horizontal line.

Robert C. Albanese
Northeast **Regional** Director

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